

Department of Social and Health Services

DP Code/Title: M2-SS Additional Federal Authority

Program Level - 070 Div of Alc/Substnce Abuse

Budget Period: 2003-05 Version: G2 070 2003-05 2004 Sup-Agency Req

Recommendation Summary Text:

This proposal seeks additional federal expenditure authority needed to meet the continued growth in two program areas; Opiate Substitution and Native American Encounter Services. Statewide result number 5.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(58,000)	0	(58,000)
001-C General Fund - Basic Account-DSHS Medicaid Federa	1,558,000	1,500,000	3,058,000
Total Cost	1,500,000	1,500,000	3,000,000

Staffing

Package Description:

The Division of Alcohol and Substance Abuse (DASA) has experienced growth in earning federal funds, particularly Medicaid. DASA is dedicated to maximizing federal funds and through collaborative relationships with contractors we have seen growth in earning federal funds. The growth has been primarily in Opiate Substitution Treatment and Tribal Encounter payments. It is estimated that \$1.5 million per year in additional federal authority will be needed.

State Opiate Substitution Treatment funding is matchable by Medicaid, under Title XIX for individuals eligible for Medicaid. In Washington, there are Opiate Substitution Treatment Clinics operating in six counties: Clark, King, Pierce, Spokane, Thurston/Mason and Yakima. In addition, there is one newly approved Opiate Substitution Treatment Clinic in the Stillaguamish Tribe. These clinics treat individuals who are addicted to heroin.

Native American Encounter Services: DASA contracts for Medicaid services with qualified Tribal-owned treatment programs. Encounter rates paid for Tribal members are 100 percent federally funded. Growth is due to the increase of the number of Tribal governments that are utilizing this federal program.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Assure public safety and help build strong, healthy communities by providing substance abuse treatment to persons in need of treatment.

Performance Measure Detail

Program: 070

Goal: 06G Assure public safety and help build strong, healthy communities.

No measures submitted for package

Incremental Changes

FY 1

FY 2

Reason for change:

This proposal would provide DASA with additional expenditure authority needed to serve more clients eligible for Medicaid services.

Department of Social and Health Services

DP Code/Title: M2-SS Additional Federal Authority**Program Level - 070 Div of Alc/Substnce Abuse**

Budget Period: 2003-05 Version: G2 070 2003-05 2004 Sup-Agency Req

Impact on clients and services:

The additional federal authority would allow DASA to continue to provide Opiate Substitution Treatment and Native American Encounter Services at the levels currently requested.

Impact on other state programs:

The Opiate Treatment programs in Clark, King, Pierce, Spokane, Thurston/Mason, Yakima, and the Tribes.

Relationship to capital budget:

Not applicable

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

The alternative is to serve fewer clients who are eligible for Medicaid services and Tribal-members that are eligible to receive the 100 percent federal match encounter rate.

The most logical and effective option is to increase federal authority to match the anticipated number of Medicaid eligible clients, and to encourage Tribes to increase the use of Native of American encounter services, which are 100 percent federally funded.

Budget impacts in future biennia:

This would allow DASA to serve more persons eligible to receive Medicaid services. Federal earning would continue into future biennia.

Distinction between one-time and ongoing costs:

Cost would be ongoing.

Effects of non-funding:

Non-funding may result in a higher number of untreated substance abuse addicts in our communities and increased risks to public health and safety.

Expenditure Calculations and Assumptions:

See attachment - M2-SS Additional Federal Authority.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	1,500,000	1,500,000	3,000,000

Department of Social and Health Services

DP Code/Title: M2-SS Additional Federal Authority**Program Level - 070 Div of Alc/Substnce Abuse**

Budget Period: 2003-05 Version: G2 070 2003-05 2004 Sup-Agency Req

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(58,000)	0	(58,000)
<i>Total for Fund 001-1</i>		<u>(58,000)</u>	<u>0</u>	<u>(58,000)</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	1,558,000	1,500,000	3,058,000
<i>Total for Fund 001-C</i>		<u>1,558,000</u>	<u>1,500,000</u>	<u>3,058,000</u>
Total Overall Funding		<u>1,500,000</u>	<u>1,500,000</u>	<u>3,000,000</u>